INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

No. 1729 Washington, D. C. May 2, 1959

Congressman Byrnes of Wisconsin Will Award Championship Plaque to Canning Crops Contest Winner at Board Meeting

Congressman John W. Byrnes of Wisconsin will present the N.C.A. championship plaque to his constituent, James J. Junion, 17, of Casco, the 1958 winner of the national Canning Crops Contest conducted annually by N.C.A. and the National Junior Vegetable Growers Association. The award ceremony will take place at the opening luncheon of the Board of Directors meetings on May 21 at the Sheraton-Park Hotel in Washington.

The event will have a decided Wisconsin character with President Norman Sorensen of Milwaukee presiding and with Marvin P. Verhulst, executive secretary of the Wisconsin Canners Association; L. A. Polzak in charge of agricultural production of The Larsen Company of Green Bay, for whom Junion produced his championship crop; and Senator Alexander Wiley, senior Wisconsin Senator, at the speakers table. Senator Proxmire will be unable to attend because of a conflicting engagement.

Representatives of the Green Bay and Milwaukee newspapers have been invited to attend the luncheon and cover the award ceremonies, and the Information Division also has lined up a number of network broadcast appearances for Junion, including one on NBC's National Farm and Home Hour. As is customary with canning crops champions, Junion, during his three-day stay in Washington will meet USDA officials and be given sightseeing tours. His prize crop was peas of which he raised 12½ acres, keeping accurate cost records on his fertilizing, spraying, and harvesting methods and selling his production at a profit of $539.02.

Congressman Byrnes, who will honor Junion's achievement, was born in Green Bay, and obtained B.A. and L.L.B. degrees from the University of Wisconsin in 1936 and 1938, respectively. He entered law practice in Green Bay and was appointed special deputy commissioner of banking for Wisconsin from which he resigned in 1941 to enter politics. At age 27, he was elected to the Wisconsin state senate, and during his term was named chairman of the Judiciary Committee and was elected majority floor leader.

Mr. Byrnes gave up his state senate seat in 1944, was elected Representative in Congress from the eighth district, being sworn in as a member of the 79th Congress in January, 1945, and was reelected to succeeding Congresses. He has served on the Civil Service, War Claims, and Ways and Means Committees, and is today one of the top-ranking members of the latter Committee. When assigned to Ways and Means in the 80th Congress he became its youngest member, in both age and point of service in Congress.

Mr. Byrnes has, in addition, played an important part in the leadership of his party in the House. In the 82nd Congress, he was named to the Republican Committee on Committees. In the 84th Congress, he was selected to represent Iowa, Minnesota, Missouri, and Wisconsin on the House Republican Policy Committee. In the 85th Congress, Byrnes became chairman of the Wisconsin Republican delegation in the House. In the 86th Congress, he was elected by the Republican membership as chairman of the House Republican Policy Committee.

The Board luncheon inaugurates the two-day sessions of the Directors and will be followed immediately by an open program session Thursday afternoon, May 21. On Friday morning, May 22, the Board will go into their closed executive session. Program details are being completed and will be announced in later issues of the INFORMATION LETTER.

The N.C.A. will make hotel reservations for the Board meeting for those who request that this be done. Hotels in Washington are very busy at present, and it is urged that reservation requests be sent in promptly.

Labeling Under State Regulations

Many canners, distributors, and label suppliers are concerned over labeling problems posed by regulations and interpretations of state weights and measures officials in Pennsylvania and New Jersey. Some aspects of this situation have been covered in the INFORMATION LETTER (Jan. 3, page 1, and March 14, page 129), but supplementary questions continue to arise.

N.C.A. counsel and staff members have had several conferences with the state officials and are continuing to keep in touch with them in order to be in a position to give canners the latest information as a basis for making decisions regarding label revision. However, it has not appeared possible to issue a statement comprehensive enough to cover all situations that may be encountered. Any major developments will be reported in the INFORMATION LETTER.

In the meantime, members whose products are distributed in Pennsylvania and New Jersey and who have questions regarding the status of their labels are urged to consult the N.C.A.

N.C.A. Seeks To Preserve Federal Food Law Supremacy

The N.C.A. this week filed with the Senate Internal Security Subcommittee a statement recommending that legislation relating to federal preemption be amended to exclude federal legislation concerning food products.

The N.C.A. statement was filed in connection with hearings by the Subcommittee, which is a unit of the Senate Judiciary Committee, on S.3, a bill to modify the doctrine of federal preemption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided. A companion bill, H.R. 3, has been approved by a subcommittee of the House Judiciary Committee.

Text of the N.C.A. statement is reproduced on page 176.

SBA Publishes New Standards for Defining Small Business

The Small Business Administration has published in the *Federal Register* of May 1 a new consolidated small business size standards regulation.

The regulation covers all of the SBA's programs—procurement, sale of government property, and loans. The new regulation retains most of the previous definitions of small business now in use by the SBA and also makes "refinements."

Generally, for the purpose of government procurement, firms are considered small if they have 500 or fewer employees, on average, each quarter. A special provision for the food canning and preserving industry excludes agricultural labor.

For the purpose of a government loan, a manufacturing firm is small if it has 250 or fewer persons and large if it has more than 1,000 persons. Within this range special size standards are established for various industries, the size standard for fruit and vegetable processing being 500 employees exclusive of agricultural labor.

Following are portions of the SBA size standards regulation as published in the *Federal Register* of May 1:

Sec. 121.3-8. Definition of small business for Government procurement

(a) *Small business definitions.* A small business concern for the purpose of Government procurement is a business concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operation and can further qualify under the following criteria:

(1) *General definition.* Any business concern (not otherwise defined in this section) is small if: (i) its number of employees does not exceed 500 persons or (ii) it is certified as a small business concern by SBA.

(2) *Construction industry.* * * *

(3) *Food canning and preserving industry.* Any business concern in the food canning and preserving industry is small if its number of employees does not exceed 500 persons exclusive of agricultural labor as defined in subsection (k) of the Federal Unemployment Tax Act, 68A Stat. 454, 26 U.S.C. (I.R.C. 1954) 3306.

(4) *Petroleum refining industry.* * * *

Sec. 121.3-10. Definition of small business for SBA business loans

A small business concern for the purpose of receiving a SBA business loan is a business concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operation and can further qualify under the following criteria:

(a) *Certificate of Competency.* A concern which has been issued a certificate of competency is a small business concern for the purpose of a SBA business loan.

(b) *Construction.* * * *

(c) *Food canning and preserving industry.* Any concern primarily engaged in the food canning and preserving industry is small if its number of employees does not exceed 500 persons exclusive of agricultural labor as defined in subsection (k) of the Federal Unemployment Tax Act, 68A Stat. 454, 26 U.S.C. (I.R.C. 1954) 3306.

(d) *Manufacturing.* Any manufacturing concern is classified:

(1) As small if it employs 250 or fewer employees;

(2) as large if it employs more than 1,000 employees;

(3) either as small or large, depending on its industry and in accordance with the employment size standards set forth in Schedule "A" of this Part, if it employs more than 250 but not more than 1,000 employees.

SCHEDULE A

EMPLOYMENT SIZE STANDARDS PURSUANT TO 121.3-10(d)(3)

(number of employees)

Food and Kindred Products	
Fruits and vegetables, canned	500
Fruits and vegetables, dehydrated	500
Fruits and vegetables, frozen	500
Meats, prepared	500
Pickles and sauces	250
Seafood, canned	250
Seafood, packaged	250

Decline in Multiple Jobholding

The trend toward sharp increases in multiple jobholding evident since 1950 was reversed in 1958, according to a report by the Bureau of the Census. The total of 3.1 million workers holding two or more jobs in July, 1958, was 500,000 fewer than the number reported for the same month of 1957.

The drop in multiple jobholding affected 200,000 extra farm jobs and another 300,000 extra jobs in nonfarm activities. The proportion of all employed persons holding more than one job declined from 5.8 percent in 1957 to 4.8 percent in 1958.

According to the survey, some 1.4 million multiple jobholders worked for wages or salaries in nonfarm industries in both their primary and secondary jobs. About 750,000 combined farm self-employment with a wage or salary job mainly in nonfarm work. In addition, 550,000 worked at both a nonfarm wage job and some of nonfarm self-employment.

Step Taken To Enable Alaska To Manage Her Fisheries

The Secretary of the Interior has taken action intended to assure that the administration and management of the fish and wildlife resources of Alaska will be transferred from the federal government to the new state, pursuant to the Alaska statehood act.

In letters to Congress on April 27, Secretary Fred A. Seaton certified, in the language of the statehood act, that the Alaska state legislature has made "adequate provision for the administration, management, and conservation of the fish and wildlife resources of Alaska in the broad national interest."

The Alaska statehood law (P. L. 85-508) provides that this responsibility shall be retained by the federal government "until the first day of the first calendar year following the expiration of 90 legislative days after" the Secretary's certification.

If Congress were to remain in session for 90 legislative days after April 27, the transfer would be effective January 1, 1960; otherwise, the transfer would be effective January 1, 1961.

In certifying the adequacy of the proposed programs, Secretary Seaton noted in his letters to Congress that the Department of the Interior was disappointed with certain aspects of Alaska's legislation and regarded it as short of ideal. He pointed out, however, that the statehood law permits him to apply only a test of adequacy.

Gennaro A. Filice

Gennaro A. Filice, 68, one of the pioneers of the canning industry in northern California, died unexpectedly in Palm Springs, Calif., April 24.

He was president of the Filice and Perrelli Canning Co., Inc., of Richmond, Calif., and of the Filper Corp., of San Leandro, manufacturer of fruit canning machinery.

Mr. Filice was prominent in East Bay civic affairs and was a director of the California State Automobile Association.

He had served as a member of the N.C.A. Board of Directors, 1942-45. Also, he was a director of the Canners League of California, and a past president of the California Processors and Growers, Inc.

Mr. Filice is survived by his wife, Clara, a daughter and three sons, Michael, Gennaro A., Jr., and George Carmen.

Canned Foods Displayed at U. S. Chamber of Commerce

Canned foods samples were on display during the 47th Annual Meeting of the Chamber of Commerce of the United States in Washington this week.

For what their program termed "A Cracker-Barrel Session on Practical Politics," the Chamber used a stage setting depicting a grocery store at the turn of the century. They requested assistance from the N.C.A. in stocking the shelves of the store with canned foods samples. Some 250 of the samples used last September in the USDA Patio, at the government salute to the canning industry, were provided. Following the bequest by N.C.A. of the bulk of samples used at USDA to the American Red Cross, one full set representing one can or jar for each different canned food item was left, and it was from these 1,000 samples that the Chamber of Commerce allotment was made.

Selections were made, as nearly as possible, to provide packages of canned commodities that were being packed in the early nineteen hundreds and to see that N.C.A. members that are also members of the Chamber of Commerce were represented.

Lily Dache on Canned Foods

Lily Dache, famous couturier and style setter, is the latest to discuss her use of canned foods on the "Celebrity Talks" series, the radio interview program broadcast by 279 stations across the nation. The series of interviews is part of the continuing Consumer and Trade Relations Program of the N.C.A. Previous interviews featured Mary Margaret McBride, Barry Sullivan, Hermione Gingold and Edward Mulhare.

Miss Dache was interviewed on May 2, and reported that when she starts creating in her kitchen she leans heavily on canned foods. She said she is often confronted with unexpected guests invited by her husband to come for a spur of the moment supper. When that happens, she finds canned foods her one reliable source of help, being as imaginative in cooking as she is in hat design.

One of the values of the "Celebrity Talks" series is that it is regularly scheduled by the subscriber broadcasting stations and is therefore not a hit or miss radio release. Another is that it identifies canned foods with the prestige associated with the celebrity.

House Group Suggests Need for More Rapid Expansion of FDA

The House Appropriations Committee has suggested that the expansion of the Food and Drug Administration which was recommended by a citizens advisory committee several years ago may be inadequate, and that the findings of the citizens committee need to be reviewed, with a view to providing a more rapid growth of the FDA and expansion of its activities.

The recommendation for further study was made by the Committee in its report on the bill, H.R. 6769, making appropriations for the Departments of Labor and Health, Education, and Welfare, including the FDA, for fiscal 1960. The Committee recommended appropriations for the FDA of $13,800,000, $2,000,000 above the amount requested in the President's budget and $2,928,000 above the amount appropriated for the current year. The bill was passed by the House without amendment April 30.

In its report on the appropriations bill, the Committee said of the FDA:

"This is the only agency that the people of the nation can look to for protection from unsanitary, unhealthful, or dangerous foods, drugs and cosmetics. In view of the obvious importance of this work, Secretary Hobby appointed a citizens committee, to make recommendations to her concerning any improvements which should be made in these activities. This advisory committee, which was appointed in 1955, was made up of top officials from the food, drug, and cosmetic industries, as well as members representing the public. Their report recommended a three- to four-fold expansion of the Food and Drug Administration in a period of from five to ten years starting with fiscal year 1957. Their report including this recommendation was endorsed by many national associations, representing the industries affected as well as a great many organizations representing the public more generally.

"The budgets for 1957, 1958 and 1959 barely met the minimum of the range of progress recommended by the Citizens Committee. The budget submission for 1960 falls far short of even meeting this bare minimum.

"There is a serious question that even the recommendations of the Citizens Advisory Committee are adequate to do the job under current conditions. Every year there are substantial increases both in the number of products on the market and in the number of establishments covered by the Act. A recent survey indicates that there are 84,000 establishments subject to supervision under the Act; 320,000 public eating places subject to regulation; 56,000 retail drug stores dealing in prescription drug sales subject to the Act; and 16,000 producers of raw fruits and vegetables who are subject to the Act. When one considers these facts it is obvious how thinly spread are the regulatory activities of this agency. The findings of the Citizens Committee should be reviewed to determine their current degree of validity."

Showings of Farm Youth Films

The two motion pictures made by N.C.A. in 1957 for the Farm Youth phase of its Consumer and Trade Relations Program have been shown 352 times to a total audience of 5,799,321 persons, as of January 1.

The films are "The Story of John Porter," a 25-minute color film accenting the advantages to farm youth of careers in production of processing crops, and "Dear Eddie," a black and white depiction of activities of members of the National Junior Vegetable Growers Association, including the annual Canning Crops Contest.

From October through December, 1958, there were 20 showings including six telecasts, to a total of 416,569 persons, including agricultural classes in high schools, civic clubs and public viewers of farm and garden programs on television.

Requests for prints of the two films should be addressed to Mrs. Jean Way Schoonover, Dudley-Anderson-Yutzy, 551 Fifth Ave., New York 17, N. Y.

Agriculture Fair in India

The United States will participate in the World Agriculture Fair in New Delhi, India, December 11, 1959, to February 14, 1960. The U. S. exhibit will demonstrate how the American farmer utilizes the results of basic research to increase productivity and to improve living standards. The USDA has a major responsibility for developing exhibit materials. Overall coordination of U. S. activities is in the U. S. Department of Commerce.

Supplemental Irrigation

Peach growers in South Carolina increased their net annual profits, as a result of supplemental irrigation, by an average of $300 per acre in 1956-57, according to cooperative economic studies by the USDA's Agricultural Research Service and the South Carolina Agricultural Experiment Station.

MSSA To Require Contractors To Pay for USDA Inspection

Effective May 15, all Military Subsistence Market Center notices of intent to purchase and resultant contracts for nonperishable fruits, vegetables and juices will require contractors to assume responsibility for origin inspection, according to a notice to the trade issued by the MSSA in Chicago.

The inspection must be performed by the Processed Products Standardization and Inspection Branch, Fruit and Vegetable Division, of USDA's Agricultural Marketing Service. According to the MSSA announcement, arrangements for the inspection will be made by the contractor and all costs will be assumed by the contractor.

The new inspection policy is applicable to the following items:

Canned single-strength apple juice, apples, applesauce, apricots, asparagus, green and wax beans, lima beans, beets, blackberries and other similar berries, blueberries;

Carrots, catsup, RSP cherries, sweet cherries, Maraschino cherries, chili sauce, sweet corn, cranberry sauce, figs, fruit cocktail, grapefruit and orange juice blended, grapefruit, grapefruit juice, dehydrated grapefruit juice, grape juice;

Mushrooms, orange juice, dehydrated orange juice, peaches, pears, peas, pineapple, pineapple juice, plums, sweet potatoes, white potatoes, dried prunes, pumpkin, raisins, sauerkraut, spinach, tomato juice, tomato paste, tomato puree (for beverage use), tomato puree (pulp), and tomatoes.

The MSSA announcement continues:

"Inspection will be for all terms of the contract. The contractor will be required to see that a copy of the contract is available to the USDA inspector. While referenced grade standards and specifications will usually be available to the USDA inspectors through their own offices, certain military standards may not be so available, and contractors will be responsible to furnish these to the USDA inspector. Contractors may obtain these standards from the Contracting Officer. Inspection results will be reported on official USDA certificates, but to be acceptable to the Contracting Officer, the certificates must state that the product conforms to all requirements of the contract (and that the material shipped by the contractor is the same as that inspected and certified).

"Notwithstanding the foregoing, acceptance of packaging, packing and marking materials, as in the past will be based on visual examination by the USDA inspector and upon the contractor's (not sub-supplier's) issuance of a certificate of compliance. Furnishing of a certificate of compliance will be noted on the USDA inspection certificate. The contractor must further assure that the USDA inspector selects random samples of the packing, packaging and marking materials and submits them to the Military Subsistence Testing Laboratory in Chicago for verification testing provided these materials are of the type for which definitive analytical specification requirements are established in the contract. Appropriate forms and instructions for this purpose will be provided with each contract. The cost of mailing these samples will be assumed by the contractor as a part of the over-all inspection costs; however, the actual costs of government verification testing will be borne by the government.

"The requirement for certification that product being shipped is the same as that having been inspected will be satisfied by either of the following:

"(a) The application of official USDA inspection stamps to all shipping containers and to the official USDA inspection certificate with a statement on the certificate to the effect that all shipping containers bear the inspection stamp. Application of these stamps may be made at time of original inspection or at time of shipment.

"(b) Certification by USDA on official Certificate of Loading identifying the product shipped as that having been inspected and certified as meeting contract requirements.

"Required certifications by the USDA as to compliance with contract requirements, shipment of the same material as that inspected and receipt of certificate of compliance for packing, packaging, and marking materials, may be obtained from the USDA by the contractor on one certificate, or on two or more certificates, provided identification of material is assured by adequate cross reference in the case of multiple certificates. USDA inspection certificates shall be forwarded promptly to the Contracting Officer by the contractor. Particular emphasis will be placed upon the prompt forwarding of USDA certificates of quality and grade only, when these are obtained separately. In these cases, the balance of the certifications concerning contract requirements other than quality and grade, and identification of supplies shipped as the same as those having been inspected will be forwarded to the Contracting Officer as soon as obtained.

"USDA Certificates of Grade must be obtained by the contractor in sufficient quantity so that a copy may be forwarded to each consignee; and USDA Certificates of Loading (if obtained as necessary to satisfy the requirement for identification of supplies), will be obtained in sufficient copies so that a copy may be sent with each shipment. A copy of each USDA certificate will be sent by the contractor to the Contracting Officer as outlined in previous paragraph. At time of shipment, the contractor will send to the Contracting Officer the appropriate number of copies of the government shipping documents, completed as instructed, along with the original copy of his certificate of compliance covering packaging, packing and marking materials, and copies of the forms used in connection with the submission of packaging, packing and marking materials to the government laboratory for verification testing, when required. Receipt of these certificates by the Contracting Officer is required in order for invoices to be certified for payment.

"Contractors will be responsible for obtaining USDA inspection certificates which show *complete* conformance to all requirements of specifications and other contract terms and that only product that meets these requirements is shipped.

"In order to reduce inspection costs, contractors may find it convenient to request USDA inspection at such times and places as to minimize the number of inspection trips, with full consideration being given to the necessity for inspection against all terms of the contract and permitting the inspector's certification that material shipped is the same as that inspected. Contractors should contact the nearest USDA inspection office and arrange for inspection service as soon as the contract is awarded."

N.C.A. on Industrial Waste

S. A. Ebbert of the N.C.A. Washington Research Laboratory and Walter A. Mercer of the Berkeley Laboratory recently attended the two-day meeting of the National Technical Task Committee on Industrial Wastes, an advisory group to the Surgeon General of the U. S. Public Health Service.

The Task Committee, of which both of the N.C.A. research men are members, is composed of scientists and business executives from industry. It functions as both an advisory group to the Surgeon General and as a clearing house for industrial activity in the pollution abatement field. The recent two-day meeting, held in Cincinnati, was for the purpose of reviewing current research on industrial waste by both government and industry.

Wholesale Distributor Stocks of Canned Foods

A report on stocks of 23 canned food items in the hands of wholesale distributors on April 1 has been issued by the Bureau of the Census, U. S. Department of Commerce.

	April 1, 1958	Jan. 1, 1959	April 1, 1959
	(*thousands of actual cases*)		
Vegetables:			
Asparagus	706	650	673
Beans, green and wax	2,993	2,771	2,945
Corn	3,882	3,948	4,042
Peas	3,914	3,264	3,582
Sauerkraut	704	647	774
Spinach	593	572	580
Tomatoes	3,364	3,215	3,130
Catsup and chili sauce	2,642	2,066	2,578
Fruits:			
Apples	435	497	469
Applesauce	1,354	1,422	1,475
Apricots	634	558	445
Cherries, RSP	463	429	445
Fruit cocktail[a]	1,391	1,443	1,593
Grapefruit segments	483	349	436
Peaches	3,111	3,771	3,413
Pears	1,167	1,209	1,182
Pineapple	1,808	1,879	1,917
Juices:			
Citrus blends	682	380	497
Grapefruit	1,177	605	860
Orange	1,507	708	1,181
Pineapple	1,021	1,185	1,213
Tomato[b]	2,440	2,134	2,577
Fish:			
Maine sardines	293	268	254

[a]Includes fruits for salad and mixed fruits (except citrus). [b]Includes vegetable juice combinations containing at least 70 percent tomato juice.

USDA Leaflet on Okra Culture

A newly-revised USDA leaflet entitled *Okra Culture* furnishes information for experienced as well as new growers of this vegetable. The leaflet contains information about cooking and various methods of preserving okra as well as recommendations for growing.

Copies of *Okra Culture* (Leaflet 449) are free on request from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C.

Dr. Stier Speaks on QC

Dr. Howard L. Stier, Director of the N.C.A. Division of Statistics, spoke recently on quality control applications in food processing in San Francisco and St. Louis at joint meetings of the local chapters of the American Society for Quality Control and the Institute of Food Technologists.

Meeting on Seed Quality

The Interregional Coordinating Committee concerned with regional projects in seed technology held meetings at Mississippi State University April 26-27. N.C.A. was one of several associations concerned with seed quality research invited to have representatives present.

Dr. Edwin A. Crosby of the Raw Products Research Bureau represented N.C.A. at this meeting and reported on the Association's interest in seed quality problems as they concern the vegetable canning industry. Previous activities of the Raw Products Technical Advisory Committee in seed quality research was reviewed for the benefit of the Committee and specific seed problems of concern to vegetable canners were delineated. Industry needs in seed quality research, developed through a survey of the Raw Products Research Committee members, were reported.

Considerable interest in the vegetable seed problems was shown by the size of the attendance, approximately 30. These problems will be considered by the Committee in developing recommendations for continued regional research in seed technology. N.C.A. will be kept informed on activities of the Interregional Coordinating Committee, and the guidance of the Raw Products Research Committee in matters bearing on vegetable seed problems will be sought.

1958 Packs of Fruits

Reports on the 1958 packs of canned spiced peaches, canned plums, and canned rhubarb have been issued by the N.C.A. Division of Statistics.

Spiced Peaches

State	1957	1958
	(*actual cases*)	
California	497,366	363,957
Other states	.....	107,241
U. S. Total	497,366	471,198

Plums (Not Purple)

The 1958 pack of canned plums (not purple) totaled 52,582 actual cases compared with the 1957 pack of 115,865 cases.

Rhubarb

The 1958 pack of canned rhubarb totaled 48,972 actual cases compared with the 1957 pack of 34,780 cases.

USDA Studies Cold Storage To Reduce Cranberry Losses

Spoilage of cranberries during storage can be reduced substantially by placing the berries in cold storage rather than in common storage, as is now the general practice. Cold storage also extends the subsequent shelf life of the cranberries, according to a report issued by the USDA.

The condition of cranberries—from the time they were placed in storage until they reached the retail shelf—was studied by USDA's Agricultural Marketing Service researchers. Three lots of Massachusetts-grown Howes cranberries from the 1957 crop were selected for the study. The lots were stored for varying periods up to 19 weeks in cold storage at 40° F. and then were compared with berries kept in simulated common storage. The study involved the storage of the cranberries, followed by prepackaging, and their subsequent holding qualities.

The researchers found that unscreened as well as screened and prepackaged cranberries held in common storage for only two weeks had as much spoilage as berries held in cold storage for 12 weeks.

Weight losses also are minimized when cranberries are held in cold storage. Freshly harvested fruit when screened, or screened and prepacked, was kept in cold storage for six weeks without requiring further rescreening.

The study, prepared by the AMS Marketing Research Division, is a part of a research program designed to reduce marketing costs and increase efficiency in marketing agricultural products.

A free copy of this report, *Refrigerated Storage of Cranberries*, MRR 312, may be obtained from the Office of Information, U. S. Department of Agriculture, Washington 25, D. C.

Canners' Stocks of Green and Wax Beans

A report on canners' stocks of canned green and wax beans on April 1 and season shipments to that date has been issued by the N.C.A. Division of Statistics.

	1957-58	1958-59
	(*thousands of cases*)	
Carryover, July 1	4,708	5,449
Pack to April 1	26,367	26,143
Supply to April 1	31,075	31,593
Stocks, April 1	9,985	10,279
Shipments during March	2,476	2,531
Shipments, July 1-April 1	21,091	21,314

Text of N.C.A. Statement on Federal Pre-emption Legislation

Following is the text of the statement filed by the N.C.A. April 30 with Senator James O. Eastland, Chairman of the Internal Security Subcommittee of the Senate Judiciary Committee, with respect to the bill S.3:

Dear Senator Eastland:

The National Canners Association is gravely concerned with the effect S. 3, as now written, will have upon the canning industry. It urges upon the Subcommittee that the bill be amended to exclude from its operation Federal legislation concerning food products and that this statement be made a part of the record of the Subcommittee's consideration of the measure.

The National Canners Association is a non-profit trade association of 650 members in 48 of the 50 states. Members of this Association, including both independent canning companies and cooperative canning enterprises, pack approximately 75 percent of the nation's pack of canned foods.

This Association takes no position on the need or desirability of S. 3 insofar as it will be applied to areas other than food regulation. It does maintain, however, that Section 1 of the bill, as a general rule of statutory construction, will have the effect in the area of food regulation of greatly impeding the interstate distribution of wholesome food products.

This interstate barrier problem has long been a troublesome one for the canning industry, as well as for other segments of our economy that produce, process, manufacture and distribute the nation's food supply. As recently as February of this year this Association's membership at its annual convention adopted a resolution on this subject, which reads:

> "Where food regulation affords benefits to consumers, it is vigorously supported by this Association. But unnecessary or unduly cumbersome local requirements interfere with the free interstate distribution of wholesome and informatively labeled food products. State and local regulations that specify particularized labeling requirements, or that prohibit ingredients recognized by federal law, or that differently standardize products to reflect local preferences, serve only to hamper and to impede the necessary wide distribution of canned foods. This Association reaffirms its determined objection to any regulatory requirement that unnecessarily extends the adquate protection afforded by federal law and creates unwarranted trade barriers to the ultimate detriment of consumers, canners, and growers alike."

As the resolution indicates, the National Canners Association has vigorously supported food regulation by Federal and State governments, when that regulation afforded benefits to consumers. The Association and its members were among the leaders in supporting the enactment of the Federal Food, Drug, and Cosmetic Act. When amendments to that Act were recognized as necessary in the interest of consumers and the food industry, the Association again took an active part. These amendments, all supported by the National Canners Association, have included the factory inspection amendment, the Miller Amendment dealing with pesticide chemicals, the Hale Amendment designed to simplify and speed up standardization procedures, and just last year the Food Additives Amendment.

This Association believes that the Federal Food, Drug, and Cosmetic Act, as amended, and other related Federal laws, guarantee to consumers throughout the country a wholesome supply of food, truthfully and informatively labeled, and that the Federal agencies administering these laws are second to none in competency, integrity and devotion to duty. At the same time, the Association recognizes the vital role to be played by State authorities in the area of food regulation, and has consistently encouraged the enactment by States of uniform state food, drug and cosmetic laws.

State food regulation, when patterned after Federal provisions, supplies an important complement to Federal regulation, especially in the area of enforcement. Federal and State authority are co-extensive to a great degree, and officials of all jurisdictions have for years cooperated in this area.

Difficulty occasionally arises, however, when State and local regulations vary from the Federal requirements. This variance gives rise to barriers to the interstate distribution of food, in that wholesome and informatively labeled products, complying with Federal and other State laws, cannot be sold in a particular State. Canners, and other food processors, when faced with State regulations that specify particularized labeling requirements, or that prohibit ingredients recognized by Federal law, or that differently standardize products, are faced with an unenviable choice. They can pack and label a separate lot of the product to be sold in that State, or they can shut off all sales to purchasers in the State.

In either case, the consumer suffers. A distinctly packed or labeled product for one State or area necessarily adds to the canner's costs of production and marketing. Separate labels must be printed and applied. Modern distribution methods make it difficult, and at times impossible, to determine at the canning plant in what State a particular case of canned food will be sold. Sales in the particular State may well have to be curtailed. All of this involves increased expense, and in the long run higher prices to consumers.

If a canner chooses to stop all sales to the State with particularized requirements, and many are forced to this decision, competition is lessened, and the consumer's choice of products is restricted.

The type of varied State requirements we are referring to range from a minor labeling point to a proscription against the use of Federally approved ingredients. To cite a few examples occurring in recent years, one State demands that a number be placed on drink product labels to identify the plant where the particular can or bottle was packed. Two States have prohibited the sale of fruit drinks under a label name acceptable by Federal and other State authority. Another State tried to enforce a regulation requiring that ingredients be listed on the product label even though a Federal standard of identity was in effect that specifically waived this requirement. Weights and measures officials in at least two States have involved the food industry in considerable expense by insisting upon unique label statements declaring in a particular way the quantity of the contents. And other States have attempted to prohibit the sale of products containing certain Federally approved preservatives and coloring.

These requirements were not necessarily objectionable in themselves. The important point was that they varied from the requirements of all other States and the Federal Government, raised serious problems of manufacture and distribution, and created significant barriers to the free interstate movement of food products.

The very real problems raised by interstate barriers to trade were anticipated by the Founding Fathers, and were to some degree responsible for the inclusion of the Supremacy Clause in Article VI of the Federal Constitution. Difficulties in the area of food regulation did not arise until early in the twentieth century, and for some time there was some uncertainty on the part of the Supreme Court as to what effect the Supremacy Clause had upon State food laws in the light of Federal Statutes. But this uncertainty was largely dissipated by the 1930's, and there is now little doubt that the doctrine of Federal pre-emption, as taken from the Supremacy Clause, precludes states from establishing any regulation of the same subject matter that does not conform to Federal requirements.

Federal pre-emption is, then, of vital significance to the food industry. State legislatures and regulatory officials are conscious, to some extent, at least, of an obligation to conform their requirements to those of the Federal Government. Where they ignore this obligation, State and Federal Courts have relied from time to time upon the Supremacy Clause to nullify particularized labeling and ingredient requirements. If the Federal pre-emption doctrine were restricted in this area, distinctive State requirements, already present to an alarming degree, would no doubt multiply, and no recourse whatsoever would be available to canners or other food processors, even though their products complied in full with Federal regulations, were unquestionably wholesome, and were informatively labeled.

It must be emphasized that the Federal pre-emption doctrine does not nullify State regulation of food products. It applies *only* when a State establishes requirements that differ in effect from those of the Federal Government on the same subject matter. Congress, with the support of canners and other members of the food industry, has given to Federal agencies the means to ensure that the nation's food supply is wholesome and informatively labeled. State requirements differing from the Federal have the effect of adding to costs, lessening competition, and restricting consumer choice, with no increase in consumer safety and information.

In the light of the considerations outlined above, the National Canners Association respectfully urges that S. 3, as now before the Subcommittee, be amended to exclude from its operation the Federal food regulatory laws. A suggested form for such an amendment would be to add a proviso at the end of Section 1(a), so that the section would read:

> "No Act of Congress shall be construed as indicating an intent on the part of Congress to occupy the field in which such Act operates, to the exclusion of any State laws on the same subject matter unless such Act contains an express provision to that effect, or unless there is a direct and positive conflict between such Act and the State law so that the two cannot be reconciled or consistently stand together, *Provided* that this section shall not apply to the construction of any Act of Congress, or regulation issued pursuant thereto, regulating the safety, distribution and labeling of food products destined for or shipped in interstate commerce."

The National Canners Association respectfully submits that this amendment would be in the interest of consumers, producers, processors, and distributors of the nation's food supply.

Status of Legislation

Agricultural trade development—H. R. 2420 (Poage of Texas), to authorize long-term supply contracts, and other bills to amend and extend P. L. 480 were the subject of public hearings by a House Agriculture Subcommittee April 21-22.

Clayton Act—S. 726 (Sparkman and others), to make all future orders of the FTC self-executing and to provide penalties of $5,000 daily for violations of consent decrees, was passed by the Senate March 18. H. R. 2977 (Celler), a similar bill, is pending before the House Judiciary Committee.

Consumer expenditures—H. R. 4420 (Zablocki of Wis.), to authorize the FTC to conduct an investigation which would include a determination of what portion of consumer expenditures for food and other farm products is realized by the farmer, the processor, the distributor, and others, has been referred to the House Commerce Committee.

Co-op jurisdiction—H. R. 200 (Mason of Ill.), to transfer jurisdiction over cooperatives' pricing from USDA to the Justice Dept., has been referred to the House Judiciary Committee.

Co-op taxation—The Secretary of the Treasury has submitted a proposed draft of legislation designed to "ensure the ultimate payment of a single tax on cooperative income," but bills embodying the Administration recommendations have not been introduced.

Crew leader registration—H. R. 5930 (Kearns of Pa.) and S. 1778 (Javits), to provide for registration of crew leaders in interstate agricultural employment (as recommended by the Labor Dept.), have been referred to the Labor Committees. N.C.A. opposes.

Fair trade—S. 1083 (Humphrey and Proxmire), to amend the Federal Trade Commission Act to authorize proprietors of trade-marked goods to control the resale prices of their distributors, has been referred to the Senate Commerce Committee. H. R. 1253 (Harris of Ark.), an identical bill, was the subject of public hearings by the House Commerce Committee March 16-25. The Committee met in executive session April 28 and 30 to consider H. R. 1253 and related bills; to resume May 7.

FDA artificial coloring—The Secretary of Health, Education, and Welfare has announced that the Department will support legislation designed to assist FDA in regulating the use of artificial coloring in foods, drugs, and cosmetics, but bills for that purpose have not yet been introduced.

Federal pre-emption—H. R. 3 (Smith of Va.), to modify the doctrine of federal pre-emption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided, was approved by a House Judiciary Subcommittee March 5. S. 3, a similar bill, was the subject of a hearing by the Senate Judiciary Committee April 21. N.C.A. opposes application to food laws (see story, page 171).

Food stamps—A number of bills designed to facilitate distribution of surplus foods to needy families have been introduced and referred to the Agriculture Committees. N.C.A. opposes.

Industrial uses—Bills to provide programs of research on industrial uses of agricultural commodities were the subject of public hearings by a House Agriculture Subcommittee Feb. 18-20, March 2-11, and April 21-23.

S.690, to create an Agricultural Research and Industrial Administration within USDA, was reported by the Senate Agriculture Committee April 16.

Labor-management practices—S. 1555 (Kennedy-Cooper), to establish safeguards against improper practices in labor organizations and in labor-management relations, was passed by the Senate, with amendments, April 25 and was the subject of hearings by the House Labor Committee April 28-29.

Marketing of potatoes—S. 17 (Smith of Maine), to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, has been referred to the Senate Agriculture Committee.

Marketing of turkeys—S. 430 (Engle) and H. R. 1344 (Sisk of Calif.), to provide for controls on the marketing of turkeys, have been referred to the Agriculture Committees. N.C.A. opposes application to canning.

Marketing orders and parity—H. R. 642 (Sisk of Calif.), to authorize the Secretary of Agriculture to continue a marketing order in effect even after parity is reached, has been referred to the House Agriculture Committee.

Marketing order regions—H. R. 1070 (Ullman of Calif.), to authorize the issuance of marketing orders on any or all production or marketing areas, rather than on the smallest regional area, has been referred to the House Agriculture Committee.

Premerger notification—The Attorney General has recommended legislation requiring prior notification before corporate mergers and acquisitions where the capital involved is more than $10 million. S. 442 (O'Mahoney-Kefauver), to require 60 days' notice prior to merger or acquisition of corporations having total book value of $10 million, was approved by the Senate Antitrust and Monopoly Subcommittee Feb. 9, but was returned by the Judiciary Committee to the Subcommittee for further study.

Price increases—H. R. 4934 (McGovern of S. D.), to require advance notice and public justification before effectuating price increases in industries so heavily concentrated that monopoly or the threat of monopoly is present, has been referred to the House Judiciary Committee. S. 215 (O'Mahoney), a similar bill, was the subject of public hearings by the Senate Antitrust and Monopoly Subcommittee 23-24 and 28-29. N.C.A. opposes.

H. R. 6293 (Reuss of Wis.), including a provision requiring the President to hold public hearings on prospective or actual price or wage increases which "appear to threaten national economic stability," was approved by a House Government Operations subcommittee April 9. N.C.A. opposes.

Raw product bargaining—H. R. 1793 (Bow of Mich.), to authorize collective bargaining between cooperative associations of producers or handlers and processors or other purchasers, has been referred to the House Judiciary Committee.

Robinson-Patman functional discounts—S. 315 (O'Mahoney) and H. R. 929 (Rogers of Colo.), to require price differentials to wholesalers and retailers according to the character of their selling (not their buying), have been referred to the Judiciary Committees.

Robinson-Patman good faith defense—H. R. 11 (Patman), to restrict the "good faith" defense against a charge of price discrimination, has been referred to the House Judiciary Committee. S. 11 was the subject of public hearings by the Senate Antitrust and Monopoly Subcommittee March 17-23.

Unemployment compensation—H. R. 3547 (Karsten of Mo.) and other bills to amend the Social Security Act with respect to unemployment compensation, was the subject of public hearings by the House Ways and Means Committee April 7-16. N.C.A. opposes.

Wage-Hour—S. 1046 (Kennedy and others), which includes provisions to terminate the 7(b)(3), 7(c), and 13(a)(5) exemptions, and other bills to curtail exemptions and raise the minimum wage will be the subject of public hearings by the Senate Labor Committee beginning May 5. N.C.A. opposes changes in the exemptions.

S. 1085 (McNamara and Clark), to provide minimum wage coverage for hired farm labor employed by large farm enterprises, has been referred to the Senate Labor Committee.

Waste disposal facilities—H. R. 322 (Byrnes of Wis.), to authorize rapid amortization of waste disposal facilities and treatment works, has been referred to the House Ways and Means Committee. N.C.A. supports.

Fisheries Legislation

Construction differential subsidy—H. R. 2181 (King of Calif.), to amend the Merchant Marine Act to permit fishermen to apply for construction differential subsidies, has been referred to the House MM&F Committee.

Fisheries Assistance Act—A number of bills to provide a five-year program of assistance to depressed segments of the fishing industry were the subject of public hearings by the House Fisheries Subcommittee April 28-30.

Fisheries Cooperative Bank—H. R. 180 (Lane of Mass.), providing for establishment of a federal bank for fishery cooperative associations, has been referred to the House MM&F Committee.

Fisheries Cooperative Marketing Act—S. 23 (Smith), H. R. 2777 (McCormack of Mass.) and H. R. 3348 (Pelly of Wash.), to exempt fishery cooperatives from provisions of the antitrust laws, have been referred to the Senate Commerce Committee and the House MM&F Committee.

Fishermen's Protective Act—S. 971 (Magnuson), to amend the Fishermen's Protective Act of 1954 to broaden protection of U. S. vessels, has been referred to the Senate Commerce Committee.

Mortgage and loan insurance—S. 555 (Butler) and H. R. 3169 (Garmatz of Md.), to amend the Merchant Marine Act to provide mortgage and loan insurance on the cost of work in U. S. shipyards, have been referred to the Senate Commerce Committee and the House MM&F Committee.

Polluted shellfish—H. R. 1244 (Colmer of Miss.), to prohibit the importation of polluted shellfish, has been referred to the House Ways and Means Committee.

Salmon conservation—H. R. 605 (Pelly of Wash.) and other bills to prohibit the importation of salmon taken by nationals of a country that permits gill netting at certain times and places, have been referred to the House MM&F Committee. S. 502 (Bartlett-Gruening-Magnuson) was the subject of hearings by a Senate Commerce Subcommittee April 1-3.

Tuna quotas—H. R. 443 (Utt of Calif.), H. R. 447 (Wilson of Calif.) and H. R. 673 (Utt), to regulate the importation of tuna products, have been referred to the House Ways and Means Committee.

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